

# IV—A Year-end Closing - Prepare Governmental Fund Reports

This chapter discusses required year-end financial reports for governmental funds. Year-end financial reports for proprietary and fiduciary funds are discussed in Chapter V. Several CALSTARS reports are used to prepare year-end financial reports. Each fund must have a separate set of financial reports. This chapter describes each of the year-end financial reports and the specific CALSTARS reports that should be used to prepare them. Agencies should also review the *Year-end Financial Reports* letter issued by the State Controller's Office (SCO) in early June for additional instructions.

Year-end financial reports produced by agencies on personal computers must be approved in advance by the SCO.

Exhibit IV-1 displays the year-end financial reports that must be submitted to the SCO or the State Treasurer's Office.

CALSTARS agencies may choose to participate in the automated year-end process in lieu of preparing and submitting Reports 1, 2, 3, 5 and 15. The requirements and instructions for automated governmental cost fund reporting are discussed in Chapter IV-B.

Although all of the sample financial reports shown include the completed certification signature blocks, this is no longer required. Instead, SCO requires that agencies submit a cover memo including a certification statement listing all attached year-end reports. Exhibit IV-2 displays a sample certification cover memo.

EXHIBIT IV-A--1  
LIST OF REPORTS TO BE SUBMITTED TO STATE CONTROLLER'S OFFICE (SCO) OR STATE TREASURER'S OFFICE (STO)

No.	Year-end Report	Std. Form or CALSTARS Report	Governmental Cost Funds & Bond Funds <sup>d/</sup>	Non- Governmental Cost Funds	Report Distribution <sup>e/, f/</sup>		SAM Section
					SCO	STO	
1	Report of Accruals to Controller's Accounts <sup>a/</sup>	571	X		X		7952
2	Accrual Worksheet <sup>a/</sup>	572	X		X		7953
3	Adjustments to Controller's Accounts <sup>a/</sup>	576	X	X	X		7955
4	Final Statement of Revenue (includes reconciliation with Controller's Accounts) <sup>b/</sup>	Q26	X		X		7956
5	Final Reconciliation of Controller's Accounts with Final Budget Report <sup>a/, b/</sup>	573	X		X		7957, 7959
6	Final Budget Report (required for automated year-end only)	B06	X				7961
7	Pre-Closing Trial Balance <sup>b/, h/</sup>	G02	X	X	X		7962
8	Post-Closing Trial Balance <sup>b/, h/</sup>	G02	X	X	X		7962
9	Analysis of Change in Fund Balance (Statement of Operations) <sup>b/</sup>	G04		X	X		7963
14	Report of Bank and/or Savings and Loan Association Accounts Outside State Treasury <sup>i/</sup>	445	X	X	X	X	7975
15	Reconciliation of Agency Accounts with Transactions per State Controller <sup>a/, b/</sup>	<sup>c/</sup>	X		X		7976
18	Statement of Changes in General Fixed Assets	G05	X		X		7977
19	Statement of General Fixed Assets <sup>i/</sup>	G05	X		X		7977.5
20	Statement of Financial Condition	G04		X <sup>f/</sup>	X		7978
22	Statement of Contingent Liabilities	<sup>c/</sup>	X	X	X		7979
N/A	General Ledger Trial Balance	G01		X <sup>g/</sup>	X		N/A

<sup>a/</sup> CALSTARS Report CSYDB3-1 may be submitted in lieu of Reports 1, 2, 3, 5, and 15 for Governmental Cost Funds and General Obligation Bond Funds.

<sup>b/</sup> If agencies prepare reports containing accruals, there must be a footnote to the report such as: "Includes year-end accruals pursuant to State Administrative Manual instructions". Refer to SAM Section 7951.

<sup>c/</sup> Use the SAM Section or the exhibit in this Chapter as a suggested form.

<sup>d/</sup> Refer to the Uniform Codes Manual (UCM), Fund Section, to determine the fund type for a fund.

<sup>e/</sup> See SAM Section 7951 for required certification. All year end reports must be available for review upon request by the Department of Finance.

<sup>f/</sup> For Non-Treasury Trust Funds, Report 20 is not submitted.

<sup>g/</sup> Submit for Shared funds only (i.e., funds using GLA 5570-Fund Balance Clearing).

<sup>h/</sup> Bond fund statements must be submitted at both fund and fund detail level.

<sup>i/</sup> Submit only one copy per agency.

<sup>j/</sup> Mailing Address and Interagency Mail Service (IMS) Code:

State Controller's Office  
Division of Accounting & Reporting (B-8)  
State Government Reports Budgetary Section  
P.O. Box 942850  
Sacramento, CA 94250-5875

State Treasurer's Office  
Securities Clearance Section (C-15)  
P.O. Box 942809  
Sacramento, CA 94209-0001

State of California

## Memorandum

Date : July 31, 2003

To : State Controller's Office  
Division of Accounting and Reporting  
3301 "C" Street, Suite 503  
Sacramento, CA 95816 B-8

From : Department of Air Quality (9990)  
102 North Street  
Sacramento, CA 95814  
I.M. King, Director

Subject : CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for the fiscal year end June 30, 2003, are enclosed:

### GENERAL FUND (0001)

#### Report No. Description

- |    |  |
|----|--|
| 1  | Report of Accruals to Controller's Accounts                              |
| 2  | Accrual Worksheet  |
| 3  | Adjustments to Controller's Accounts                                     |
| 4  | Statement of Revenue   |
| 5  | Final Reconciliation of Controller's Accounts with Final Budget Report   |
| 7  | Pre-Closing Trial Balance  |
| 8  | Post-Closing Trial Balance   |
| 15 | Reconciliation of Agency Accounts with Transactions per State Controller |
| 18 | Statement of Changes in General Fixed Assets                             |
| 22 | No Contingent Liabilities to report                                      |

Contact Person: I. Ben Tryin  
Phone Number: (916) 555-1234  
E-mail: ibtryin@dept.ca.gov

### CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE FUND (0169)

#### Report No. Description

- |    |  |
|----|--|
| 1  | Report of Accruals to Controller's Accounts                              |
| 2  | Accrual Worksheet  |
| 3  | Adjustments to Controller's Accounts                                     |
| 4  | Statement of Revenue   |
| 5  | Final Reconciliation of Controller's Accounts with Final Budget Report   |
| 7  | Pre-Closing Trial Balance  |
| 8  | Post-Closing Trial Balance   |
| 15 | Reconciliation of Agency Accounts with Transactions per State Controller |
| 18 | Statement of Changes in General Fixed Assets                             |
| 22 | No Contingent Liabilities to report                                      |

EXHIBIT IV-A-2 (Continued)

Contact Person: I. Ben Tryin  
Phone Number: (916) 555-1234

**SPECIAL DEPOSIT FUND (0942)**

Report No. Description

3	Adjustments to Controller's Accounts
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition
22	Statement of Contingent Liabilities

Contact Person: I. Ben Tryin  
Phone Number: (916) 555-1234  
E-mail: ibtryin@dept.ca.gov

**NON-TREASURY TRUST FUND (0990)**

Report No. Description

7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
9	Analysis of Change in Fund Balance

Contact Person: I. Ben Tryin  
Phone Number: (916) 555-1234  
E-mail: ibtryin@dept.ca.gov

**SPECIAL REPORTS**

Report No. Description

14	Bank and/or Savings and Loan Association Accounts Outside the State Treasury System
19	Statement of General Fixed Assets

I certify (or declare) under penalty of perjury that the data on the attached statements is true and correct; and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).

Subscribed and executed this 31<sup>st</sup> day of July, 2003, at Sacramento, California

\_\_\_\_\_  
Signature of Officer

\_\_\_\_\_  
Type or print name of Officer

\_\_\_\_\_  
Title of Officer

**REPORT NO. 1 - REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS**

The State Controller's Office uses Report No. 1 to post accruals to the year-end account balances. Use Forms 571A, 571B, 571A/B, 571-C and 571D for Report No. 1.

The following reports are used to prepare Report No. 1:

- ✧ A completed Accrual Worksheet (Report No. 2)
- ✧ B06, Final Budget Report
- ✧ G01, Trial Balance of General Ledger Accounts
- ✧ G02, Year-End General Ledger Report
- ✧ Q13, Cumulative Expenditures by Character, Program, Organization and Object

The SCO provides blank 571 Forms. In July the 571-C forms displaying the agency's appropriation accounts are ROPED to agency printers.

Prepare a separate Report of Accruals to SCO Accounts for each governmental fund administered by the agency. Data may be typed or hand printed. The SCO's annual letter on Year-End Financial Reports contains general instructions. Listed below are specific instructions for completing each section of the Report of Accruals, Report No. 1.

**Instructions for Forms 571 A, B and A/B:**

**HEADING** - Enter your agency's full name and Organization Code, Fund Number and Name. Enter the name, title and phone number of the contact person. Number each page as indicated. Leave the "Controller's Use Only" space blank.

**ACCOUNT** - The most commonly used 4-digit general ledger account (GLA) codes and titles are pre-printed. Space is available for additional accounts on the Form 571B and 571A/B.

Certain general ledger accounts require a 4-digit subsidiary number in addition to the 4-digit GLA. The subsidiary number signifies the fund involved in an inter-fund transaction. This number is entered in the four positions immediately following the pre-printed 4-digit **Account** (general ledger account number). Exception: GLAs 1390 and 1600 require a 5-digit subsidiary that identifies an offsetting GLA preceded by a 0 (zero).

**AMOUNT** - Enter the amount for each GLA. For accounts with no accruals, leave the amount column blank. Do not enter 0.00 (zero). Enter the column totals from the Accrual Worksheet, except as follows:

Individual amounts from columns containing two or more accounts (such as Deferred Credits) are posted to separate lines.

GLA 1400-Due from Other Funds and GLA 3110-Due to Other Funds are reported at the lower level GLAs 1410/1420 and 3114/3115, respectively. GLAs 1410 and 3114 are then listed by individual subsidiary account.

GLA 1500-Due From Other Governments is reported at the lower level GLAs 1510, 1540 and 1590. Amounts for these GLAs can be obtained from the Post-Closing Trial Balance portion of the G02, Year-End General Ledger Report.

**D/C DEBIT OR CREDIT** - Enter **D** for Debit or **C** for Credit, using the sign indicated on the Accrual Worksheet.

**NET DEBITS/CREDITS** - For each page, total the debits and credits in the "Amount" column, and enter the total as the net debit/credit. Identify either a **D** or **C**.

**DUE FROM OTHER FUNDS (GLA 1410)** - Enter amounts due from funds other than the one being reported. List the first 4-digit Subsidiary Fund Number in the spaces following the printed account number. Additional accounts and subsidiaries may be added to the blank lines at the bottom of the 571B and continued on the 571A/B. The breakdown of GLA 1400 is detailed on the Subsidiaries On File portion of the G02 Report. If the breakdown of GLA 1400 includes the same fund as is being reported (i.e., the General Fund report includes an amount Due From General Fund), the amount is reported in GLA 1420-Due From Other Appropriations.

**DUE FROM OTHER APPROPRIATIONS (GLA 1420)** - Enter the amount from the Subsidiaries On File portion of the G02 Report identified as due from the fund being reported. (This amount is also shown on the Post-Closing Trial Balance portion of the G02 Report.) Do not enter a Subsidiary Fund Number for GLA 1420.

**PROVISION FOR DEFERRED RECEIVABLES (GLA 1600) and ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS (GLA 1390)** GLA 1600-Provision for Deferred Receivables and GLA 1390-Allowance for Uncollectible Accounts require a 5-digit subsidiary number. This number signifies the contra receivable account related to GLA 1600 and GLA 1390. The subsidiary number is the 4-digit GLA of the receivable account involved preceded by a **0** (zero) (total of 5 digits). This information is provided on the Subsidiaries on File portion of the G02 Report. The subsidiary number should be entered in the field immediately following the 4-digit

GLA. Additional accounts and subsidiaries may be added to the blank lines at the bottom of the 571B and continued on the 571A/B.

**PREPAYMENTS TO ARF (GLA 1730) and RESERVE FOR ARF (GLA 5330) -**

Enter only the amount of Prepayments to Architecture Revolving Fund (Fund 0602). Do not enter any other prepayments or advances to other funds as accruals on this form.

**DUE TO OTHER FUNDS (GLA 3114)** - Enter amounts due to funds other than the one being reported. List the first Subsidiary Fund Number in the spaces following the printed account number. Additional subsidiaries may be added to the blank lines on the Form 571B or the 571A/B. The Subsidiaries On File portion of the G02 Report provides account details.

**DUE TO OTHER APPROPRIATIONS (GLA 3115)** - Enter the amount from the Subsidiaries On File portion of the G02 Report identified as due to the fund being reported. (This amount is also shown on the Post-Closing Trial Balance portion of the G02 Report.) Do not enter a Subsidiary Fund Number for GLA 3115.

**BLANK LINES** - Additional space is provided for additional general ledger accounts and subsidiaries.

**ENCUMBRANCES** - The amount and the source of funding of encumbrances included in the accruals must be reported so the SCO may establish an appropriate reservation of fund balance for the **net** encumbrances of the fund. Two steps are necessary to accomplish this posting.

1. The total amount of encumbrances included in the Accounts Payable must be reported.
2. Any reimbursement receipt accruals that fund these encumbrances must be reported to arrive at the **net** encumbrances of the fund.

These two steps are described below.

**Amount of encumbrances included in the expenditure/liability accruals**

The year-end GLA 3010-Accounts Payable accrual amount may include encumbrances. Determine the encumbrance amount from the Prior Year G01 report. The encumbrance amount is the sum of GLAs 6150 and 6151 on the G01 Report (opposite sign).

Enter the encumbrance amount on the Accounts Payable line in the "Encumbrances" column of Form 571B with a **C** in the "D/C" column next to the "Encumbrances" column.

**NOTE:** The amount in the "Encumbrances" column **must not be more** than the accrual reported in the "Amount" column.

**Amount of reimbursement receivables that fund encumbrances**

Enter the amount that funds encumbrances for each reimbursement receivable (GLAs 1312, 1410, 1420, 1540 or 1590) on Form 571A and 571 A/B. Enter a **D** in the Encumbrance "D/C" column.

**NOTE:** The amount in the "Encumbrances" column **must not be more** than the receivable reported in the "Amount" column.

Select the appropriate method of identifying reimbursed encumbrances based on how reimbursable costs are identified.

1. Agencies that use Fund Source R for Reimbursements

Use a summary level PY Q13 Report (0-0-0-I) to identify reimbursed encumbrances by appropriation account. Be sure to include allocated encumbrances when requesting this report. Review the reimbursement receivables by appropriation to identify how the encumbrances are funded for each receivable General Ledger account. The DB1 Report will identify reimbursement receivables at the GL account level by appropriation; the D16 Report will identify each receivable document.

After determining the encumbrance funding by the appropriate GLA level, sum the amounts by GLA. Report these amounts as described above.

2. Agencies that do NOT use Fund Source R for Reimbursements

The amount of encumbrances funded by reimbursement receivables will not be identifiable at the summary level, and, therefore, must be determined by another method based on your agency's established procedures for identifying reimbursable costs. Summarizing the A-3 Accrual entries by GLA for reimbursement receivables resulting from encumbrances is one method available.

### Instructions for Form 571-C and 571D:

These forms are used to report accruals for nominal accounts. Form 571-C is computer generated by the SCO. It includes each appropriation account title and number shown on the agency's monthly SCO Agency Reconciliation Report.

Certain accounts on the SCO's records have been left off Form 571-C. Accounts for appropriations that will revert as of June 30 have been omitted, as have Prepayments to Other Funds and Advances to Other Funds. In most cases any changes to these accounts are reported as Adjustments to Controller's Accounts, not accruals. Accruals to accounts not shown on 571-C may be added on 571D. Before doing so, verify with the SCO that the account is valid.

**ACCOUNT DESCRIPTION** - Preprinted on the form.



**ENCUMBRANCES** - Both the total amount of encumbrances and any reimbursement receipt accruals that fund the encumbrances must be reported in order to arrive at the **net** encumbrances for the appropriation. Refer to the discussion on encumbrances in the previous section covering Form 571A, 571B and 571A/B for further explanation.

**Amount of encumbrances included in the expenditure accruals**

Enter the encumbrances included in accruals for each detail appropriation.

Locate the encumbrance amounts by appropriation on the B06 Report in the "Encumbrances/Allocated Encumbrances" column. After entering the encumbrance amount on the detail appropriation line, enter a **D** or **C** in the "D/C" column, as appropriate.

**Amount of encumbrances funded by accrued reimbursements**

Enter the encumbrances funded by accrued reimbursements in the "Encumbrances" column of the corresponding reimbursement (Type **F**) account. Enter a **C** in the "D/C" column. The amounts to be included must be determined based on how reimbursable costs are identified by the agency. Refer to the discussion of encumbrances in the previous section covering the Form 571A, 571B and 571A/B for further explanation.

**Note:** These amounts are not reflected in the corresponding detail appropriation line on the B06.

**IMPORTANT:**

Verify that the encumbrance total on this portion of Report No. 1 (Forms 571-C and 571D) equals the total entered on the previous portion (opposite sign) (Form 571A, 571B, and 571A/B).

**ACCOUNT NUMBER** - The Detail Account numbers (**D**, **F**, **R**, etc.) maintained by the SCO are pre-printed here.

**ACCRUAL AMOUNT** - Enter the net accrual amount for each appropriation line. Transfer the amounts (opposite sign) shown on the "Net Total Accruals per Agency" column on the Accrual Worksheet (Report 2) to the "Amount" column on Report 571-C/571D. Leave the "Amount" column **blank** for accounts with no accruals. Do not enter 0.00 (zero).

**D/C** - Enter **D** when the amount is a debit or **C** when the amount is a credit. The signs are opposite the Accrual Worksheet.

**ACCOUNT NOT PREPRINTED ON FORM** - If there is an accrual to an account not shown on the form and the SCO has verified that it is a valid account, add information to Form 571D as follows:

ACCOUNT DESCRIPTION - Enter the appropriation title as entered on the appropriation symbol table.

ENCUMBRANCES - Enter the amount of encumbrance included in the accrual, if any.

FY - TASK - Enter the codes that identify the appropriation account in these columns.

T (ACCOUNT TYPE) - Enter the Account Type code per SCO records:

- D** - Disbursement
- F** - Reimbursement
- R** - Revenue
- T** - Transfer

SOURCE FUND - Enter the 4-digit Fund for a reimbursement account source.

REVENUE/OBJECT - Enter the UCM 6-digit Source code for a revenue or receipt account.

AMOUNT - Enter the accrual amount.

D/C - Enter **D** when the amount is a Debit or **C** when the amount is a Credit.

**NET DEBITS/CREDITS** - At the bottom of each page, enter the **net** of the debits and credits in the "Encumbrances". Indicate whether the **net** amount is a debit or credit.

**FINAL CHECKS** - For both the "Encumbrance" and "Amounts" columns, add the NET DEBITS/CREDITS on all pages of Form 571 (A-D). The summed total for both columns must equal zero.

Exhibit IV-3 shows a sample of Report No. 1. Exhibit IV-4 is the Report No. 1 Reference Guide. This reference guide should be used in conjunction with the detailed instructions presented above.

## EXHIBIT IV-A-3

REPORT NO 1 Form 571B (REV. 4/97)

CONTROLLER'S USE ONLY												
Document No.				C C Y Y M M D D				Fund			Agy	

## Report of Accruals to Controller's Accounts

June 30, 20

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## Reference Guide - Report 1

Agency (name and number)	Fund (name and number)
--------------------------	------------------------

ACCOUNT TITLE	ENCUMBRANCES	D C	ACCOUNT		AMOUNT	D C
DUE FROM OTHER GOVERNMENTAL ENTITIES			1 5 9 0			
PROVISION FOR DEFERR	To calculate Encumbrances included in GLA 3010 accrual, net G01 GLA's 6150 & 6151. Enter opposite sign.		* 1 6 0 0			
EXPENSE ADVANCES			1 7 1 0			
ACCOUNTS PAYABLE			3 0 1 0			
CLAIMS FILED			3 0 2 0			
DUE TO OTHER FUNDS			** 3 1 1 4			
DUE TO OTHER APPROPRIATIONS			3 1 1 5			
DUE TO LOCAL GOVERNMENT			3 2 2 0			
REVENUE COLLECTED IN ADVANCE			3 4 1 0			
REIMBURSEMENTS COLLECTED IN ADVANCE			3 4 2 0			
UNCLEARED COLLECTIONS			3 7 3 0			
PREPAYMENTS TO ARCHITECTURE REVOLVING FUND			*** 1 7 3 0	0 6 0 2		
RESERVE FOR ARCHITECTURE REVOLVING FUND			5 3 3 0	0 6 0 2		
Net Debits / Credits				Net Debits / Credits		

To calculate Encumbrances included in GLA 3010 accrual, net G01 GLA's 6150 & 6151. Enter opposite sign.

For GLA 1600 identify the 4 digit GL Acct # (with leading "0") per G02 Subs on File. Separate accrual for each subsidiary.

GLA 3110 must be reported at the lower level - GL 3114 & 3115. Each subsidiary within GL 3114 must be shown separately. Use G02 Subsidiaries on File.

GL 3115 - Use G02 Post-Closing Trial Balance.

GLAs 3410 & 3420, include only amounts not remitted & received by SCO.

Include only advances to Office of State Architecture. Do not include prepayments to SRF or SCIF on Rpt. 1.

\* Specify the receivable account to which this pertains.

**\*\* Specify the funds to which this pertains.**

\*\*\* Account should be fully reserved.

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## EXHIBIT IV-A-3

REPORT NO 1 Form 571A/B (REV. 4/97)

## CONTROLLER'S USE ONLY

Document No.	C C Y Y M M D D	Fund	Agy

## Report of Accruals to Controller's Accounts

June 30, 20

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## Reference Guide - Report 1

Agency (name and number)

Fund (name and number)

ACCOUNT TITLE	ENCUMBRANCES	D C	ACCOUNT	AMOUNT	D C
<div>Use this form to list additional accounts not already pre-printed, and to break down GLA's 1410 &amp; 3114 by subsidiary. List title of account (i.e., "Due From Other Funds") in this column.</div>					
Net Debits / Credits			Net Debits / Credits		

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## EXHIBIT IV-A-3

## Reference Guide - Report 1

Page of

FORM 571-C (4/97)  
 CONTROLLER'S USE ONLY  
 DOCUMENT NO:  
 FUND: 0001000 GENERAL FUND  
 AGENCY: 9990 DEPT OF AIR QUALITY

DATE:

STATE CONTROLLER'S OFFICE  
 REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS  
 JUNE 30, 2001

REPORT NO: 1  
 PAGE NO: 1  
 CONTROLLER'S USE ONLY  
 CURSORY REVIEW \_\_\_\_\_  
 COMP. INPUT \_\_\_\_\_  
 EXPENDITURES \_\_\_\_\_  
 REVENUES \_\_\_\_\_  
 WORKSHEET/ACCUM. \_\_\_\_\_

<u>ACCOUNT DESCRIPTION</u>	<u>**ENTER**</u> <u>ENCUMBRANCE</u>	<u>D/C</u>	<u>FY</u>	<u>M</u>	<u>REF</u>	<u>CA</u>	<u>PG</u>	<u>EL</u>	<u>COM</u>	<u>TSK</u>	<u>I</u>	<u>SFUND</u>	<u>B</u>	<u>ACCT</u>	<u>**ENTER**</u> <u>ACCRUAL AMOUNT</u>	<u>D/C</u>
A-AIR QUALITY STANDARDS			2000		001	10					D					
B-AIR QUALITY CONTROL			2000		001	20					D					
C-STATE ADMINISTRATION	Enter amount of Encumbrances included in accruals for each detail appropriation. Use B06, "Encumb/Alloc Encumb" column.		2000		001	30	01				D					
D-STATE ADMINISTRATION-DISTRIB			2000		001	30	02				D					
CALSTARS CLEARING ACCOUNT			2000		001	99					D					
E-REIMBURSEMENTS			2000		001	90					F					
REVOLVING FUND ADVANCE			2000		001	97					D					
A-AIR QUALITY STANDARDS			1999		001	10					D					
B-AIR QUALITY CONTROL			1999		001	20					D					
D-STATE ADMINISTRATION			1999		001	30	01				D					
E-STATE ADMINISTRATION-DISTRIB			1999		001	30	02				D					
CALSTARS CLEARING ACCOUNT			1999		001	99					D					
F-REIMBURSEMENTS			1999		001	90					F					
MISCELLANEOUS REVENUE			2000								R		161400			
REFUNDS TO REVERTED APPNS			1999								R		500000			
NET DEBITS/CREDITS															NET DEBITS/CREDITS	

## EXHIBIT IV-A-3

REPORT NO 1 Form 571D (REV. 4/97)

CONTROLLER'S USE ONLY

## Report of Accruals to Controller's Accounts

June 30, 20

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Reference Guide - Report 1

Agency (name and number)

Fund (name and number)
------------------------

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**REPORT NO. 2 - ACCRUAL WORKSHEET**

Report No. 2 is the supporting worksheet for Report No. 1, Report of Accruals to Controller's Accounts. Refer to *State Administrative Manual* Section 7953. For governmental funds, Report No. 2 is the first report to be completed.

FM 13 reconciliations and the G02 Report are used to prepare the Accrual Worksheet. Sort the FM 13 reconciliations in the same order as the appropriation accounts listed in the first column of the Accrual Worksheet. There should be no "Adjustment to CALSTARS" items on the final reconciliations. If there are, those items must be corrected and reconciliations redone before year-end reports can be completed. The report is organized as follows:

- ✿ Column totals record "Real Account" general ledger account activity; and
- ✿ Line or row totals record "Nominal Account" general ledger account activity.

The titles column should list all the SCO appropriation accounts for current and prior year for the fund. For each appropriation account listed on the Accrual Worksheet, enter the accrual items into the proper GLA column on the Accrual Worksheet from either the "Balances per DB1" section of CALSTARS 33 FM 13 reconciliations or the "Apply: Current Year Accruals" section of the SCO/CALSTARS Monthly Reconciliation Report (DB2). See the specific instructions for Revolving Fund, Prepayments and Deferred items below.

Any "Adjustments to SCO Accounts" must be included on Report 3. Do not show Adjustments to SCO Accounts on the Accrual Worksheet.

For those accounts found on the reconciliations but not listed on the Accrual Worksheet form, use one of the blank columns, use a pre-printed column that will not otherwise be used, or combine the account with a pre-printed account.

The signs posted on the reconciliations are *opposite* when posting amounts to the Accrual Worksheet, except for the Revolving Fund Advance and Prepayment lines.

**Instructions for Completing the Accrual Worksheet**

**"GENERAL CASH" COLUMN** - The following items are not found on the reconciliations but must be reported on separate lines in the "General Cash" column:

- ✿ GLA 3730-Uncleared Collections (from the G02 Trial Balance);
- ✿ Sales Tax Collected (enter offset in the "GLA 3110" column); and
- ✿ The unremitted portion of GLA 3400-Advance Collections, if any.

The offset amounts for GLAs 3400 and 3730 are posted in the "Deferred Credits" column. The Net Total Accruals per Agency of all of these lines is zero.

**"ACCOUNTS RECEIVABLE-OTHER" COLUMN** - GLA 1319-Accounts Receivable-Other is not found on the reconciliations. Post this amount (from the G02 Trial Balance) to the Misc. Accounts-Provision for Deferred Receivables line. The offset is posted to the "Deferred Credits" column.

**ORF ADVANCE LINE** (Category 97 appropriation) - The imprest amount of the revolving fund advance is posted on the Revolving Fund Advance line in the "Revolving Fund Cash" column. Post this amount from the Balance per SCO line on the ORF FM 13 reconciliation--the sign stays the *same*. No additional posting to this line is required, except for the total. All other Revolving Fund activity is posted on the Revolving Fund Adjustment line.

**REVOLVING FUND ADJUSTMENT LINE** - The Revolving Fund Adjustment line is at the bottom of the report, between the Subtotal and Total lines. The line is completed in two steps:

- 1) From the ORF (Category 97) FM13 reconciliation, post each accrual from the CALSTARS 33 "Balances per DB1" section or the "Apply: Current Year Accruals" section from the DB2 to the appropriate column in the Revolving Fund Adjustment line.
- 2) Sum the adjustments posted to the Revolving Fund Adjustments line. Post this amount into the Revolving Fund Cash Column (opposite sign). This adjustment brings the Revolving Fund Cash column into agreement with the GLA 1130-Revolving Fund Cash on the Post-Closing Trial Balance portion of the G02 Report. In addition, it causes the Revolving Fund Adjustment line to net to zero.

**"PREPAYMENTS TO OTHER FUNDS" COLUMN** - Post the Category 99 Service Revolving Fund (SRF)-Printing, Category 98 SRF-Other, and Category 96 State Compensation Insurance Fund (SCIF) Prepayments to the "GLA 1730-Prepayments to Other Funds" column. Post these amounts from the Balance per SCO line on the ORF FM 13 reconciliations--the sign stays the *same*. These items are entered on the Accrual Worksheet so the final total will agree with Fund Balance-Clearing. They are not carried forward to Report No. 1 because the SCO books already contain the prepayment amounts.

**"ACCOUNTS PAYABLE" COLUMN** - The net amount for accounts payable is the sum of the following accounts on the reconciliations (opposite sign):

GLA 3010 - Accounts Payable;  
GLA 6150 - Encumbrances;  
GLA 6151 - Annual Allocated Encumbrances; and

**NOTE:** Each reconciliation may not have all of the listed accounts.



**"DEFERRED CREDITS" COLUMN** - GLA 3730-Unremitted Uncleared Collections, GLA 1600-Provision for Deferred Accounts Receivable, GLA 2600-Deferred Charges (applicable to ORF) and unremitted Advance Collections (the portion of GL 3400 still in General Cash, if any) are posted to this column. These amounts should offset the amount in the "General Cash" and "Accounts Receivable" columns so that the line total nets to zero.

**FINAL CHECKS** - Add all columns down and all lines across. Show column sub-totals and add or subtract the Revolving Fund Adjustment line to get the final column total. Each column total must equal the appropriate general ledger account(s) balance on the Pre-closing Trial Balance portion of the G02 Report. The Uncleared Collections, Provision for Deferred Receivables and Revolving Fund Adjustment lines must net to zero.

**For Shared Funds** - verify on the Post-closing Trial Balance portion of the G02 Report that the GLA 1140-Cash in State Treasury has been closed into GLA 5570-Fund Balance - Clearing. The total of the "Net Total Accruals" column on the Accrual Worksheet should equal the GL 5570 amount (opposite sign) on the G02 Post-closing Trial Balance Report. If they do not agree, the difference should be the amount of GLA 3400-Advance Collections that has been remitted to and receipted by the SCO prior to June 30.

**For Non-shared Funds** - note that GL 1140 does not close into GLA 5530-Fund Balance - Unappropriated. Therefore, the "Net Accrual" column total does not agree with the GLA 5530 account balance on the Post-closing Trial Balance portion of the G02 Report. The difference should be the amount in GLA 1140 (plus GLA 1210, if any) displayed on the Post-closing Trial Balance portion of the G02 Report and any amount in GL 3400 that has been receipted by the SCO prior to June 30.

Exhibit IV-5 shows a sample of Report No. 2. Exhibit IV-6 is a Report No. 2 Reference Guide. This reference guide should be used in conjunction with the detailed instructions presented above.

# EXHIBIT IV-A-5

Includes year-end accruals pursuant to State Administrative Manual.

## ACCRUAL WORKSHEET

Agency: Department of Air Quality (9990)

Fund: General Fund (0001)

June 30, 2001

I certify (or declare) under penalty of perjury that the following is true and correct and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title I, Government Code (commencing with Section 1090).

Subscribed and executed this 31<sup>st</sup> day of July, 2001 at Sacramento, California

U. R. Dunne  
Signature of Officer

U. R. DUNNE  
Name of Officer

ACCOUNTING ADMINISTRATOR  
Title of Officer

ACCOUNTS REFER TO THE STATE ADMINISTRATIVE MANUAL OR SUPPLEMENTAL INSTRUCTIONS	GENERAL CASH 1110	REVOLVIN G FUND CASH 1130	CASH ON HAND IN AGENCY 1190	ACCOUNTS RECEIVABLE			DUE FROM OTHER FUNDS 1400	DUE FROM OTHER GOV'TS 1500	EXPENSE ADVANCES 1710	PREPAYMENTS TO OTHER FUNDS 1730	ACCOUNTS PAYABLE 3010	CLAIMS FILED 3020	DUE TO OTHER FUNDS 3110	DUE TO LOCAL GOV'TS 3220	DEFERRED CREDITS 1600 3730	NET TOTAL ACCRUALS PER AGENCY
				ABATE- MENTS 1311	REVENUE 1313	OTHER 1315 1380 1319										
APPROPRIATION-State Ops Chapter 52/00, Item 9990-001-0001																
Program 10, Air Quality Standards								30,845.00			-230,013.54		-608,377.97	-83,055.00		-890,601.51
Program 20, Air Quality Control											-66,955.55		-600,336.60	-4,773.00		-672,065.15
Program 30.01, Administration													-882,871.37			-882,871.37
Program 30.02, Dist. Administration													882,871.37			882,871.37
Program 99, Clearing Account	5.69			1,608.25			261,210.51				-148,457.08	-512,333.55	764,948.25			366,982.07
Category 90-Reimbursements							693,471.51									693,471.51
Category 97-ORF Advance		200,000.00														200,000.00
Category 98-Adv to SRF-Other										120,000.00						120,000.00
Chapter 999/00, Item 9990-501-0001																
Program 10, Air Quality Standards													-100,000.00			-100,000.00
Chapter 50/99, Item 9990-001-0001																
Program 10, Air Quality Standards											-25,507.25		43.13			-25,464.12
Program 20, Air Quality Control											-25,507.24		-47,858.19			-73,365.43
Program 30.01, Administration													-51,100.55			-51,100.55
Program 30.02, Dist. Administration													51,100.55			51,100.55
Program 99, Clearing Account				44.24			57,049.88					-953.58	-55,819.57			320.97
Category 90-Reimbursements							472.54									472.54
Revenue 2000/01																
161400 Misc Revenue	1,075.00				10.00											1,085.00
Misc Accounts																
Uncleared Collections	171.11														-171.11	0.00
Provision for Deferred Receivables						46,158.60									-46,158.60	0.00
SUBTOTAL	1,251.80	200,000.00	0.00	1,652.49	10.00	46,158.60	1,012,204.44	30,845.00	0.00	120,000.00	-496,440.66	-513,287.13	-547,400.95	-187,828.00	-46,329.71	-379,164.12
Revolving Fund Adjustment		-179,990.31	104.13						68,173.87			111,712.31				0.00
TOTAL	1,251.80	20,009.69	104.13	1,652.49	10.00	46,158.60	1,012,204.44	30,845.00	68,173.87	120,000.00	-496,440.66	-401,574.82	-547,400.95	-187,828.00	-46,329.71	-379,164.12

## EXHIBIT IV-A-6

Includes year-end accruals pursuant to State Administrative Manual.

## ACCRUAL WORKSHEET

Agency:

Fund:

June 30, 20

*I certify (or declare) under penalty of perjury that the following is true and correct and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title I, Government Code (commencing with Section 1090).*

Subscribed and executed this 31<sup>st</sup> day of July, 20 at Sacramento, California

Signature of Officer \_\_\_\_\_

## Reference Guide - Report 2

Title of Officer

ACCOUNTS REFER TO THE STATE ADMINISTRATIVE MANUAL OR SUPPLEMENTAL INSTRUCTIONS	GENERAL CASH 1110	REVOLVING FUND CASH 1130	CASH ON HAND IN AGENCY 1190	ACCOUNTS RECEIVABLE			DUE FROM OTHER FUNDS 1400	DUE FROM OTHER GOV'TS 1500	EXPENSE ADVANCES 1710	PREPAYMENTS TO OTHER FUNDS 1730	ACCOUNTS PAYABLE 3010	CLAIMS FILED 3020	DUE TO OTHER FUNDS 3110	DUE TO LOCAL GOV'TS 3220	DEFERRED CREDITS 1600 3730	NET TOTAL ACCRUALS PER AGENCY	
				ABATEMENTS 1311	REVENUE 1313	OTHER 1315 1380 1319											
APPROPRIATION-State Ops Chapter 50/99, Item 9990-001-0001	Accrual amounts are picked up from CALSTARS/SCO reconciliations unless otherwise indicated. Pick up amounts from the CALSTARS 33 "Balances Per DB1" section or the "Apply: Current Year Accruals" section from the DB2 and post under appropriate column - Opposite sign.																
Program 10, Air Quality Standards																	0.00
Program 20, Air Quality Control																	0.00
Program 30.01, Administration																	
Program 30.02, Dist. Administration																	
Program 99, Clearing Account																	
Category 90-Reimbursements																	
Category 97-ORF Advance																	
Category 98-Adv to SRF-Other																	
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**REPORT NO. 3 - ADJUSTMENTS TO CONTROLLER'S ACCOUNTS**

Report No. 3 identifies the differences between the agency and SCO account balances. These differences represent the adjustment to the SCO account portion of the FM 13 reconciliations. This section discusses the preparation of a Report No. 3 for Governmental Funds. Report No. 3 requirements for Non-Governmental Funds are discussed in the next chapter.

This report does not correct the SCO's accounts. Separate Transaction Request forms must be sent to the SCO to correct SCO posting errors. If there are adjustments to the SCO's accounts, complete Report No. 3 on Forms 576A and 576-B, supplied by the SCO and attach copies of the supporting Transaction Request Forms. If there are no adjustments, the agency's Year-end Statement transmittal letter or certification should state this and disclose that no Reports No. 3 have been submitted. If a transmittal or certification letter is not used, return Report No. 3, Form 576A, noting "No adjustments to report".

**Instructions for Completing Forms 576A and 576-B**

**FORM 576A** - Records "Real Account" general ledger account impact. This form must be completed when the adjustment is between funds and/or agencies. For each adjusting item, review the corresponding Transaction Request Form to determine the fund or appropriation for which amounts are due to or due from. If the appropriation is in the fund being reported, the correct GLA is 1420 or 3115 and a subsidiary fund number is not required. If another fund is involved, the correct GLA is 1410 or 3114 and the subsidiary fund number is identified next to the appropriate GLA. Identify the adjustment amount and indicate **D** (debit) or **C** (credit) in the "D/C" column.

**FORM 576B** - Records "Nominal Account" general ledger account impact. This form must be completed for adjustments to revenue and expenditure accounts. Using the FM 13 reconciliations, post the "Adjustments to SCO Accounts" applicable to each appropriation line. Amounts for the same appropriation line should be totaled to identify the **net** adjustment for the appropriation. Enter the adjustment amount and indicate **D** (debit) or **C** (credit) in the "D/C" column.

**FINAL CHECKS** - Cross reference each item on Report No. 3 to the copy of the SCO's Transaction Request, Form CA 504. At the bottom of each form, enter the **net** of the debits and credits. The summed total of the Net Debits/Credits amount from both forms must equal zero.

Exhibit IV-7 identifies how "Adjustments to SCO Accounts" affect the appropriation accounts, correction letters and Report No. 3 when the adjustment is within the same agency and same fund. Exhibit IV-8 shows this same comparison when the adjustment is between funds and/or agencies. Exhibit IV-9 shows samples of Report No. 3, SCO Forms 576A and 576-B. Exhibit IV-10 shows the corresponding Transfer Requests.

## EXHIBIT IV-A-9

REPORT NO 3 Form 576A (REV. 4/97)

CONTROLLER'S USE ONLY			
Document No.	C C Y Y M M D D	Fund	Agy

## Adjustments to Controller's Accounts

June 30, 2001

Agency (name and number) <b>DEPARTMENT OF AIR QUALITY (9990)</b>		Fund (name and number) <b>GENERAL FUND (0001)</b>	
Name of Contact Person (Please Type or Print) <b>U. R. Dunne</b>		Title <b>ACCOUNTING ADMINISTRATOR</b>	Telephone Number <b>445-0000</b>

*I certify (or declare) under penalty that the data on the attached statements is true and correct; and that I have not violated any to the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).*

Subscribed and executed this 31st day of July, 2001 at Sacramento, California

AUTHORIZED SIGNATURE U. R. Dunne

[illegible]

**\* Specify the funds to which this pertains.**

**ORIGINAL AND ONE COPY - Controller, Division of Accounting and Reporting**

## EXHIBIT IV-A-9 (Continued)

FORM 576-B (4/97)  
 CONTROLLER'S USE ONLY  
 DOCUMENT NO:  
 FUND: 0001000 GENERAL FUND  
 AGENCY: 9990 DEPT OF AIR QUALITY

DATE:

STATE CONTROLLER'S OFFICE  
 ADJUSTMENTS TO CONTROLLER'S ACCOUNTS  
 JUNE 30, 2001

Page 2 of 2  
 REPORT NO: 3  
 PAGE NO: 1  
 CONTROLLER'S USE ONLY  
 CURSORY REVIEW  
 COMP. INPUT  
 EXPENDITURES  
 REVENUES  
 WORKSHEET/ACCUM.

<u>ACCOUNT DESCRIPTION</u>	<u>FY</u>	<u>M</u>	<u>REF</u>	<u>CA</u>	<u>PG</u>	<u>EL</u>	<u>COM</u>	<u>TSK</u>	<u>I</u>	<u>SFUND</u>	<u>B</u>	<u>ACCT</u>	<u>**ENTER**</u> <u>ACCRUAL AMOUNT</u>	<u>D/C</u>
A-AIR QUALITY STANDARDS	2000		001		10				D				2,963.00	D 1
B-AIR QUALITY CONTROL	2000		001		20				D					
D-STATE ADMINISTRATION	2000		001		30 01				D					
E-STATE ADMINISTRATION-DISTRIB	2000		001		30 02				D					
CALSTARS CLEARING ACCOUNT	2000		001		99				D					
F-REIMBURSEMENTS	2000		001		90				F					
REVOLVING FUND ADVANCE	2000		001		97				D					
A-AIR QUALITY STANDARDS	1999		001		10				D				245,678.00	C 2
B-AIR QUALITY CONTROL	1999		001		20				D				245,678.00	D 2
D-STATE ADMINISTRATION	1999		001		30 01				D					
E-STATE ADMINISTRATION-DISTRIB	1999		001		30 02				D					
CALSTARS CLEARING ACCOUNT	1999		001		99				D					
F-REIMBURSEMENTS	1999		001		90				F					
MISCELLANEOUS REVENUE	2000		001						R		161400			
REFUNDS TO REVERTED APPROPNS	1999								R		500000			
													NET DEBITS/CREDITS	2,963.00 D

**REPORT NO. 4 - STATEMENT OF REVENUE**

The CALSTARS Report Q26, Year End Statement of Revenue, is Report No. 4, Statement of Revenue. Request the Q26 Report using FM=PY; Period=C. Only Current Year Revenue is submitted as Report No. 4. Operating Transfers and Other Sources of Revenue are not included in the Q26 Report and should be excluded from the Controller's total revenue amount reported in the Reconciliation of Revenue section.

**Instructions for Completing the Year-end Statement of Revenue**

The information for the Reconciliation of Revenue section is obtained from the following sources:

Reconciliation Item	Source of Data
Total Revenue per State Controller's Office Accounts	SCO Agency Reconciliation Report as of June 30 (opposite sign)
Accruals per Report of Accruals	Accrual Worksheet (CY Revenue line)
Adjustments to Controllers Accounts	Report No. 3, Adjustments to Controller's Accounts (576B) (opposite sign)

Exhibit IV-11 shows a sample of Report No. 4.

## EXHIBIT IV-A-11

```
CSTARQ26 9990 (DEST: A1 CTL1) PY,C,0,0,0,1,          ,          ,          ,          ,          ,          ,          ***** RUN:07/31/01 TIME:17.45
PRIOR FISCAL YEAR: 2000          ***** 1(FUND )*****
```

DEPARTMENT OF AIR QUALITY (9990)  
YEAR END STATEMENT OF REVENUE  
AS OF 06/30/01

REPORT #4

\*\*\*\*\* PAGE 1

ENY:	00	FFY:	00
FUND:	0001	GENERAL FUND	

\*\*\*\*\*

SOURCE	DESCRIPTION	ESTIMATED REVENUES	ACTUAL REVENUES	BALANCE
161400	MISCELLANEOUS REVENUE	0.00	31,241.90	31,241.90-
*TOTAL FUND 0001		0.00	31,241.90	31,241.90-

## RECONCILIATION OF STATE CONTROLLERS REVENUE WITH STATEMENT OF REVENUE, JUNE 30, 2001

TOTAL REVENUE PER STATE CONTROLLERS OFFICE ACCOUNTS	<u>30,156.90</u>
---	------------------

## RECONCILING FACTORS:

ACCRUALS PER REPORT OF ACCRUALS	<u>1,085.00</u>
---------------------------------	-----------------

ADJUSTMENTS TO CONTROLLERS ACCOUNTS	<u>1,085.00</u>
-------------------------------------	-----------------

TOTAL REVENUE PER STATEMENT OF REVENUE	31,241.90
--	-----------

I CERTIFY (OR DECLARE) UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT AND THAT I HAVE NOT VIOLATED ANY OF THE PROVISIONS OF ARTICLE 4, CHAPTER 1, DIVISION 4, TITLE 1, GOVERNMENT CODE (COMMENCING WITH SECTION 1090).

SUBSCRIBED AND EXECUTED THIS 31ST DAY OF JULY ,2001 AT SACRAMENTO , CALIFORNIA

U. R. DUNNE	"REPORT AS OF JUNE 30 INCLUDES YEAR-END ACCRUALS
SIGNATURE OF OFFICE	PURSUANT TO STATE ADMINISTRATIVE MANUAL INSTRUCTIONS"

U. R. DUNNE  
ACCOUNTING ADMINISTRATOR



## **REPORT NO. 5 - FINAL RECONCILIATION OF CONTROLLER'S ACCOUNTS WITH FINAL BUDGET REPORT**

Report No. 5 reconciles the agency accounts to the SCO accounts. The difference consists of accruals and adjustments to Controller's accounts.

The following are used to prepare Report No. 5:

- ✪ Controller's June 30 Agency Reconciliation Report
- ✪ B06, Final Budget Report
- ✪ Report No. 1 - Report of Accruals to Controller's Accounts
- ✪ Report No. 3 - Adjustments to Controller's Accounts

### **Instructions for Completing Report No. 5**

The SCO transmits copies of Form 573 to each agency. A separate Form is transmitted for each appropriation, pre-posted with account activity information as described below.

Prepare Report No. 5 for all fiscal years.

**PRE-PRINTED ACCOUNT BALANCES** - The SCO pre-prints Expenditure and Appropriation Balance information in the "SCO Use Only" section on the form. The Advance to Service Revolving Fund, on the bottom section of the form is also pre-printed.

June 30 Account Balance per State Controller's Records - Displays the year-to-date expenditures and the appropriation balance from the June 30 SCO Control 'C' accounts. Verify that the amounts agree with the 'C' accounts on the June 30 Agency Reconciliation Report (Tab Run). The Appropriation Balance per SCO for the reverting year should be zero, reflecting the reversion on or prior to June 30.

Reverse PY Adjustments to Controller's Accounts - The Current Year Adjustments to Controller's Accounts (Report No. 3 items) for expenditures and reimbursements on last year's financial reports are reversed in the "Expenditures" column only. Verify that the amounts agree with last year's Report No. 5.

Reverse PY Expenditures/Reimbursements Accrued - The **net** amount accrued for expenditures and reimbursements on last year's financial reports are reversed in the "Expenditures" column only. Verify that the amounts agree with last year's Report No. 5 by adding the accruals and adjustments (except the CY Adjustments to Controller's Accounts and the Office Revolving Fund and Service Revolving Fund advances) and comparing to the pre-printed amount.

Reverse PY Corrections Made By Controllers' Office - SCO corrections to last year's financial reports are reversed in this column. Verify that this amount is correct by reviewing notes made on last year's financial reports per contacts from the SCO. If the amounts shown in this section cannot be reconciled with your records, contact the SCO.

Advance to Service Revolving Fund - Displays the Advance to the Service Revolving Fund. This amount is pre-printed in the "Appropriation Balance" column only. Verify that the amount agrees with the June 30 Agency Reconciliation Report (Tab Run). This should be posted to the current year appropriation only.

**ITEMS TO BE COMPLETED BY AGENCY** - The bottom portion of the form (except Advance to Service Revolving fund) is completed by the agency as follows.

Apply CY Adjustments to Controller's Accounts - Enter **net** of Adjustments to Controller's Accounts from Report No. 3. Expenditure and reimbursement adjustments usually affect both columns. Adjustments to advances affect only the "Appropriation Balance" column.

Apply Accruals per Report of Accruals to Controller's Accounts - Enter the current year accruals from the Report of Accruals (Report No. 1, Form 571C). Amounts are posted to both columns, except as noted below, and the signs are the same as on Report No. 1. There should be no accruals posted to reverting appropriations.

Revolving Fund Advance - Post to the "Appropriation Balance" column only.

Pending Budget Revisions/Allocation Orders/Executive Orders  
- Post pending appropriation adjustments (BRs or EOs) to the "Appropriation Balance" column only. Since these entries are not documented on Report No. 1, add a footnote to either the bottom of the page or to an attached page detailing this entry, including BR and/or EO numbers.

**FINAL CHECKS** - Sum each column, including the pre-printed amounts. Compare the Report No. 5 column totals with the Final Budget Report (B06) as follows:

The "Expenditure" column on each Report No. 5 should equal the grand total of the B06 "Budgetary Expenditure" column for that appropriation.

**REPORT NO. 9. - ANALYSIS OF CHANGE IN FUND BALANCE**

Agencies submit a Report No. 9, Analysis of Change in Fund Balance, when they account for a non-governmental fund in its entirety or for an account within a non-governmental fund in its entirety, such as, the Federal Trust Fund or the Special Deposit Fund.

The G04, Year-end Special Fund Equity Report, is submitted when Report No. 9, Analysis of Change in Fund Balance, is required. Although the G04 Report may be requested for any fund, it should only be submitted for **Non-governmental Non-shared** funds. Report No. 9 is described in Chapter V, Prepare Non-governmental Cost Fund Reports.

**REPORT NO. 10 - ANALYSIS AND RECONCILIATION OF REVOLVING FUND ACCOUNTABILITY**

This is no longer a year-end report, but the analysis and reconciliation should be performed and kept on file with other year-end reports. See the Chapter II examples of an Office Revolving Fund reconciliation and an accompanying G01 Report in Exhibits II-1 and II-2.

**REPORT NO. 11 - RECONCILIATION OF GENERAL CHECKING ACCOUNT**

This report is no longer required at year-end. However, the reconciliation should be prepared and kept on file with the other monthly bank reconciliations.

**REPORT NO. 13 - REPORT OF EXPENDITURES OF FEDERAL FUNDS**

This report is prepared for Federal Funds and is discussed in Chapter V, section *Prepare Trust and Agency Funds-Federal*. This report is no longer submitted, but is required to be kept on file.

**REPORT NO. 14 - REPORT OF ACCOUNTS OUTSIDE THE TREASURY SYSTEM**

Every agency must submit a Report No. 14 , Report of Bank/Savings and Loan Association Account Outside the Treasury System (Standard Form 445) to the State Treasurers Office ***whether or not it has funds outside the Treasury system***. There should be only one statement per agency (not one statement per fund). If an agency does not have accounts outside the treasury system, do not submit Report No. 14 to the SCO, however, indicate in the certification letter that there are no accounts outside the state treasury. If the agency does have funds outside the Treasury system, refer to the Chapter V, section *Prepare Trust and Agency Funds-Other*, subsection *Non-Treasury Trust Funds (NTT)* for a discussion of other required reports.

Exhibit IV-17 shows a sample of Report No. 14.

**NOTE:** If an agency has the ability to accept a credit card as a means of payment, these accounts are considered "zero balance accounts". These accounts must be reported on the Report No. 14.

## EXHIBIT IV-A-17

STATE OF CALIFORNIA  
**REPORT OF BANK/SAVINGS AND  
 LOAN ASSOCIATION ACCOUNT  
 OUTSIDE THE TREASURY SYSTEM**  
 STD. 445 (REV. 6-98)

Please return to:  
 State Treasurer's Office  
 Securities Clearance Section  
 P.O. Box 942809  
 Sacramento, CA 94209-0001

This report will be required of all state agencies. If no account exists, submit report noted "No accounts outside State Treasury." Any account in which State money is deposited, as defined by Government Code 16305.2, and which is not in the centralized State Treasury system will be included in this report.

- |   |   |
|---|---|
| (1) Account title appearing on bank/ savings and loan statement.            | (5) Date of Department of Finance Approval (Govt. Code 16305.3) or citation if authorized by statute. |
| (2) State type of account (savings, checking, certificate of deposit, etc.) | (6) Book balance of account as of June 30.  |
| (3) Brief description and purpose of account.                               |   |
| (4) Name and address of depository and branch.                              |   |

DEPARTMENT NAME AND ADDRESS

*Department Of Air Quality (7101), 901 Q Avenue, Sacramento, CA 95814*

FOR FISCAL YEAR ENDED

JUNE 30, 2001

(1) ACCOUNT TITLE AND NUMBER	(2) ACCOUNT TYPE	(3) PURPOSE	(4) BANK/SAVINGS & LOAN	(5) AUTHORITY	(6) BALANCE
<i>No Accounts Outside State Treasury</i>					

*I certify (or declare) under penalty of perjury that the foregoing is true and correct and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).*

SIGNATURE

U. R. Dunne

TYPE OR PRINT NAME AND TITLE

U. R. DUNNE, ACCOUNTING ADMINISTRATOR

TELEPHONE NUMBER

(916) 445-0000

DATE

JULY 31, 2001

**REPORT NO. 15 - RECONCILIATION OF AGENCY ACCOUNTS WITH  
TRANSACTIONS PER STATE CONTROLLER**

The Report No. 15 reconciles expenditures, reimbursements and revenues by appropriation. Use the following reports to prepare this report:

- ✧ Controller's Agency Reconciliation Report at June 30;
- ✧ Report No. 15 - for last fiscal year;
- ✧ Report No. 2, Accrual Worksheet;
- ✧ Report No. 3, Adjustments to Controller's Accounts;
- ✧ CALSTARS B06, Final Budget Report;
- ✧ CALSTARS Q25, Summary of Revenues by Appropriation; and,
- ✧ CALSTARS G02, Pre-Closing Trial Balance.

**Instructions for Completing Report No. 15**

Refer to Sam Section 7976, Illustration I and the information below to complete this report. The "notes" section on the second page of the illustration explains the source of the data and certain relationships between the column totals and the general ledger accounts. Note that the arrangement of columns on the current form differs from that in the illustration.

**TRANSACTIONS PER CONTROLLER** - The amounts for this column are found in the "Expend/Revenue" column of the SCO Agency Reconciliation Report. The sign is the same as SCO's.

**EXCEPTION:** For the current year Revolving Fund account and the Prepayments account, use the "Advances" column. The amounts for the prior year advance accounts are found on last year's report and are posted with the sign reversed.

**REVERSE PRIOR YEAR - ADJUSTMENTS TO CONTROLLER'S ACCOUNTS** - Reverse the amounts in last year's Report No. 15 "Adjustments to Controller's Accounts" column.

**REVERSE PRIOR YEAR - ACCRUALS** - Prior year accruals are obtained from the previous year's Report No. 15 "Current Year Accruals" column. The current year's column total should agree with the previous year's Net Accruals. This step is necessary to reverse prior year accruals from this year's transactions in the prior year accounts.

**REVERSE PRIOR YEAR - CORRECTIONS MADE BY CONTROLLER'S** - Enter the reversal of any adjustments made by the SCO to last year's financial reports.

**APPLY CURRENT YEAR-ADJUSTMENTS TO CONTROLLER'S ACCOUNTS -**

Represents adjustments to SCO accounts reflected on Report No. 3 (Form 576B). These adjustments could be between appropriations within the same agency and fund or between different agencies and/or funds. The sign of the adjustment depends on the effect of the adjustment on the appropriation. If all adjustments are within the same agency and fund, the column nets to zero.

**APPLY CURRENT YEAR - ACCRUALS** - The current year accruals are posted from the last column of the Accrual Worksheet (Report No. 2) titled "Net Total Accruals". Reverse the signs from the Accrual Worksheet. The column total agrees with "Net Total Accruals" on the Accrual Worksheet and reconciles to the Fund Balance account (GLA 5570 or GLA 5530) on the Post-closing Trial Balance. Reconciling items may include the amount of Advance Collections that has been remitted to and receipted by the SCO prior to June 30 (for Shared Funds) and/or the amount in Cash in State Treasury and Deposits in the Surplus Money Investment Fund (for Non-Shard Funds).

**TOTAL OF COLUMNS A - F** - Add columns A - F down and across. The sum of the amounts in the remaining columns (G - K) must agree with the amount in this column.

**TRANSACTIONS FOR AGENCY ACCOUNTS**

Appropriation Expenditures/Reimbursements - Amounts are posted from the "Budgetary Expenditure" column on the B06, Final Budget Report.

Revenue - Obtained from the Actual Receipts YTD column on the Q25 Report or the Actual Revenues column on the Q26 Report (opposite sign).

Refunds to Reverted Appropriations - Obtained from the Pre-closing Trial Balance portion of the G02 Report.

Additional columns may be required or useful. Unused columns may be deleted or relabeled.

**FINAL CHECKS** - The total of each column in the "Transactions For Agency Accounts" section should equal the balance of the corresponding nominal account on the Pre-closing Trial Balance. A column must be included for each nominal general ledger account (GLA's 8000-9999) that appears on the Pre-closing Trial Balance.

If the fund contains a Clearing Account, the Clearing Account line must net to zero.

Exhibit IV-18 shows a sample of Report No. 15. Exhibit IV-19 is the Report No. 15 Reference Guide.

**EXHIBIT IV-A-18**  
DEPARTMENT OF AIR QUALITY (9990)  
GENERAL FUND (0001)  
RECONCILIATION OF AGENCY ACCOUNTS WITH TRANSACTIONS PER STATE CONTROLLER  
FISCAL YEAR ENDED JUNE 30, 2001

	REVERSE PRIOR YEAR				APPLY CURRENT YEAR		TRANSACTIONS FOR AGENCY ACCOUNTS				
	(A) Transactions per Controller	(B) Adjustments to Controller's Accounts	(C) Accruals	(D) Corrections made by Controller's	(E) Adjustments to Controller's Accounts	(F) Accruals	(G) Total of Columns (A) - (F)	(H) Appropriation Expenditures (9000)	(I) Reimburse- ments(8100)	(J) Revenue (8000)	(K) Refunds to Reverted Appropriations (9891)
APPROPRIATION - STATE OPS											
ITEM 9990-001-0001, CHAPTER 52/00											
Program 10, Air Quality Standards	1,296,183.64				2,963.00	890,601.51	2,189,748.15	2,189,748.15			
Program 20, Air Quality Control	3,352,188.05					672,065.15	4,024,253.20	4,024,253.20			
Program 30.01, Administration	6,789,085.40					882,871.37	7,671,956.77	7,671,956.77			
Program 30.02, Dist. Administration	-6,789,085.40					-882,871.37	-7,671,956.77	-7,671,956.77			
Program 99, Clearing Account	366,982.07					-366,982.07	0.00	0.00			
Category 90-Reimbursements	-639,812.58					-693,471.51	-1,333,284.09		-1,333,284.09		
Category 97-Revolving Fund Advance	200,000.00					-200,000.00	0.00				
Category 98-Advance to SRF-Other	120,000.00					-120,000.00	0.00				
ITEM 9990-501-0001, CHAPTER 999/00											
Program 10, Air Quality Standards	0.00					100,000.00	100,000.00	100,000.00			
ITEM 9990-001-0001, CHAPTER 50/99											
Program 10, Air Quality Standards	1,385,418.74		-1,219,462.04		-245,678.00	25,464.12	-54,257.18	-54,257.18			
Program 20, Air Quality Control	1,278,026.57		-1,242,920.96		245,678.00	73,365.43	354,149.04	354,149.04			
Program 30.01, Administration	643,899.53		-297,522.25			51,100.55	397,477.83	397,477.83			
Program 30.02, Dist. Administration	-643,899.53		297,522.25			-51,100.55	-397,477.83	-397,477.83			
Program 99, Clearing Account	-3,231,154.54		3,231,475.51			-320.97	0.00	0.00			
Category 90-Reimbursements	-411,975.43		739,708.77			-472.54	327,260.80		327,260.80		
Category 97-Revolving Fund Advance	-200,000.00		200,000.00				0.00				
Category 98-Advance to SRF-Other	-120,000.00		120,000.00				0.00				
ITEM 9990-001-0001, CHAPTER 324/98											
Program 10, Air Quality Standards	17,666.71		-31,400.74				-13,734.03	-13,734.03			
Program 20, Air Quality Control	2,103.62		-902.68				1,200.94	1,200.94			
Program 30.01, Administration	14,905.01		-7,595.48				7,309.53	7,309.53			
Program 30.02, Dist. Administration	-14,905.01		7,595.48				-7,309.53	-7,309.53			
Program 99, Clearing Account	-16,954.06		16,954.06				0.00	0.00			
Category 90-Reimbursements	-10,403.46		1,322.29				-9,081.17		-9,081.17		
REVENUE 00/01 FY											
161400-Miscellaneous Revenue	-30,156.90					-1,085.00	-31,241.90			-31,241.90	
REFUNDS TO REVERTED APPROPRIATIONS	-138.89						-138.89				-138.89
<b>TOTALS</b>	<b>3,357,973.54</b>	<b>0.00</b>	<b>1,814,774.21</b>	<b>0.00</b>	<b>2,963.00</b>	<b>379,164.12</b>	<b>5,554,874.87</b>	<b>6,601,360.12</b>	<b>-1,015,104.46</b>	<b>-31,241.90</b>	<b>-138.89</b>

I certify (or declare) under penalty of perjury that the following is true and correct and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).

Subscribed and executed the 31<sup>st</sup> day of July, 2001, at Sacramento, California

U. R. Dunne  
Signature of Office

U. R. Dunne  
Name of Officer

Accounting Administrator

**EXHIBIT IV-A-19**  
DEPARTMENT OF AIR QUALITY (9990)  
GENERAL FUND (0001)

**Reference Guide - Report 15**

**RECONCILIATION OF AGENCY ACCOUNTS WITH TRANSACTIONS PER STATE CONTROLLER**  
FISCAL YEAR ENDED JUNE 30, 2001

	REVERSE PRIOR YEAR				APPLY CURRENT YEAR		TRANSACTIONS FOR AGENCY ACCOUNTS				
	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Appropriation and Revenue Accounts per SCO Tab Run	Transactions per Controller	Adjustments to Controller's Accounts	Accruals	Corrections made by Controller's	Adjustments to Controller's Accounts	Accruals	Total of Columns (A) - (F)	Appropriation Expenditures (9000)	Reimbursements(8100)	Revenue (8000)	Refunds to Reverted Appropriations (9891)
APPROPRIATION - STATE OPS											
ITEM 9990-001-0001, CHAPTER 52/00											
Program 10, Air Quality Standards											
Program 20, Air Quality Control											
Program 30.01, Administration											
Program 30.02, Dist. Administration											
Program 99, Clearing Account											
Category 90-Reimbursements											
Category 97-Revolving Fund Advance											
Category 98-Advance to SRF-Other											
ITEM 9990-501-0001, CHAPTER 999/00											
Program 10, Air Quality Standards											
ITEM 9990-001-0001, CHAPTER 50/99											
Program 10, Air Quality Standards											
Program 20, Air Quality Control											
Program 30.01, Administration											
Program 30.02, Dist. Administration											
Program 99, Clearing Account											
Category 90-Reimbursements											
Category 97-Revolving Fund Advance											
Category 98-Advance to SRF-Other											
ITEM 9990-001-0001, CHAPTER 324/98											
Program 10, Air Quality Standards											
Program 20, Air Quality Control											
Program 30.01, Administration											
Program 30.02, Dist. Administration											
Program 99, Clearing Account											
Category 90-Reimbursements											
REVENUE 00/01 FY											
161400-Miscellaneous Revenue											
REFUNDS TO REVERTED APPROPRIATIONS											
<b>TOTALS</b>											

I certify (or declare) under penalty of perjury that the following is true and correct and that I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090).

Subscribed and executed the 31<sup>st</sup> day of July, 2001, at Sacramento, California

U. R. Dunne  
Signature of Office

U. R. Dunne  
Name of Officer

Accounting Administrator

Totals for Agency Transactions should equal Total for Column "G".  
Total of each column should equal corresponding GLA on Pre-Closing Trial Balance.



**STATEMENT OF CONTINGENT LIABILITIES**  
**For Fiscal Year Ended June 30, 2001**

Name of Agency Department of Air Quality  
 Name of Fund General Fund (0001)

Date July 31, 2001  
 Prepared By John Staffer

I.	Type of Contingent Liability	Reference or Identification	Potential Amount	Potential Date of Payment	Comments
	Worker's Compensation Claim	1	75,000.00	FY 01/02	
		2	15,000.00	FY 01/02	
		3	12,000.00	FY 01/02	
		4	10,000.00	FY 01/02	

I CERTIFY (OR DECLARE) UNDER PENALTY OF PERJURY THAT THE FOREGOING IS TRUE AND CORRECT AND THAT I HAVE NOT VIOLATED ANY OF THE PROVISIONS OF ARTICLE 4, CHAPTER 1, DIVISION 4, TITLE 1, GOVERNMENT CODE (COMMENCING WITH SECTION 1090).

SUBSCRIBED AND EXECUTED THIS 31<sup>ST</sup> DAY OF JULY, 20 01 AT SACRAMENTO  
 CALIFORNIA

U. R. Dunne  
 SIGNATURE OF OFFICER

U. R. DUNNE  
 ACCOUNTING ADMINISTRATOR

## REVISIONS TO REPORTS

After submitting year-end reports to the SCO, agencies must report any material differences relating to prior year accruals. S.A.M. Section 7981 defines "material", for this purpose, as a net change in the total accrued income and the total accrued expenditures of \$100,000 or more. If an agency's reports require revision (for any reason) after the reports are submitted to the SCO, a report entitled "Revisions to Accruals and Adjustments to Controller's Accounts" must be prepared. Use Form 571E and 571F. Agencies should immediately notify the SCO when material differences are discovered and submit the revisions by October 1 whenever possible.

### General Instructions

Post an adjusted amount to bring the accrual from the original set of year-end reports to the correct accrual amount. This report is designed to correct:

- ✱ Report of Accruals to Controller's Accounts (Report No. 1);
- ✱ Adjustments to Controller's Accounts (Report No. 3) for governmental funds and bond funds; and/or,
- ✱ Pre-Closing Trial Balance (Report No. 7) for non-governmental cost funds.

Although agencies may create corrected copies of their year-end financial reports for internal purposes, the SCO does not want, and cannot use, corrected financial reports.

Prepare a separate report for each fund administered by the agency. Enter the page numbers at the top of all pages. Cross reference all entries on this report and attach a corresponding explanation of the corrections on a separate page. The original of this report should be sent to the State Controller's Office, Division of Accounting. Duplicate or reduced copies are not acceptable. Data entered on the forms may be typed or hand-printed. Exhibit IV-23 is a sample of Form 571E and Exhibit IV-24 is a sample of Form 571F.

### Instructions for Completing Forms 571E and 571F

**FORM 571E** - Used to report corrections to asset and liability accounts. Cross reference all entries on this report and attach a corresponding explanation of the corrections on a separate page. The remainder of the form should be completed similar to the Form 571A/B.

**FORM 571F** - Used to report corrections to expenditure and revenue accounts. Cross reference all entries on this report and attach a corresponding explanation of the corrections on a separate page. The remainder of the form should be completed similar to the Form 571D.